



ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA-R03-OAR-2020-0283; FRL-10016-88-Region 3]

Air Plan Approval; Virginia; Negative Declarations Certification for the 2008 Ozone National Ambient Air Quality Standard including the 2016 Oil and Natural Gas Control Techniques Guidelines

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is approving a portion of a state implementation plan (SIP) revision submitted by the Commonwealth of Virginia. The portion for approval consists of negative declarations for certain specified Control Techniques Guidelines (CTG), including the 2016 Oil and Natural Gas CTG (2016 Oil and Gas CTG), as well as a number of other negative declarations for Alternative Control Techniques (ACTs) for the 2008 ozone National Ambient Air Quality Standard (NAAQS). The negative declarations cover only those CTGs or ACTs for which there are no sources subject to those CTGs or ACTs located in the Northern Virginia Volatile Organic Compound (VOC) Emissions Control Area. EPA is approving these revisions to the Virginia SIP in accordance with the requirements of the Clean Air Act (CAA).

DATES: This final rule is effective on **[insert date 30 days after date of publication in the Federal Register]**.

ADDRESSES: EPA has established a docket for this action under Docket ID Number EPA-R03-OAR-2020-0283. All documents in the docket are listed on the <https://www.regulations.gov> website. Although listed in the index, some information is not publicly available, e.g., confidential business information (CBI) or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not

placed on the Internet and will be publicly available only in hard copy form. Publicly available docket materials are available through <https://www.regulations.gov>, or please contact the person identified in the **For Further Information Contact** section for additional availability information.

FOR FURTHER INFORMATION CONTACT: Erin Trouba, Planning & Implementation Branch (3AD30), Air & Radiation Division, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, PA 19103. The telephone number is (215) 814-2023. Ms. Trouba can also be reached via electronic mail at Trouba.Erin@epa.gov.

SUPPLEMENTARY INFORMATION:

I. Background

On July 16, 2020 (85 FR 43187), EPA published a notice of proposed rulemaking (NPRM) pertaining to part of a SIP submittal from the Commonwealth of Virginia. In the NPRM, EPA proposed approval of negative declarations for certain specified CTGs, including the 2016 Oil and Gas CTG, as well as a number of other negative declarations for ACTs for the 2008 ozone NAAQS.¹ Virginia's negative declarations cover the Northern Virginia area that was designated nonattainment for the 2008 ozone NAAQS and/or included as part of the Ozone Transport Region (OTR) by CAA section 184(a).² The SIP revision that EPA is taking final action to approve in this action was submitted to EPA by the Virginia Department of Environmental Quality (VADEQ) on April 2, 2020. For additional information on the scope of the SIP submittal and the specific CTGs and ACTs for which VADEQ submitted a negative declaration, please see the NPRM.

The CAA regulates emissions of nitrogen oxides (NO_x) and VOCs to prevent photochemical reactions that result in ozone formation. Reasonably available control technology

¹ See the NPRM for the list of negative declarations that the Commonwealth submitted for Northern Virginia, and which EPA is acting on here.

² The Northern Virginia area consists of Arlington County, Fairfax County, Loudoun County, Prince William County, Stafford County, Alexandria City, Fairfax City, Falls Church City, Manassas City, and Manassas Park City.

(RACT) is a strategy for reducing NO_x and VOC emissions from stationary sources within areas not meeting the ozone NAAQS, and for areas within the OTR. EPA has consistently defined RACT as the lowest emission limit that a particular source is capable of meeting by the application of the control technology that is reasonably available considering technological and economic feasibility. CTGs and ACTs form important components of the guidance that EPA provides to states for making RACT determinations. CTGs are used to presumptively define VOC RACT for applicable source categories of VOCs. ACTs describe an available range of control technologies and their respective cost effectiveness for particular source categories, but do not identify any particular option as the presumptive norm for what is RACT.

On March 6, 2016 (80 FR 12264), EPA issued a final rule entitled “Implementation of the 2008 National Ambient Air Quality Standards for Ozone: State Implementation Plan Requirements” (2008 Ozone Implementation Rule). In the preamble to the final rule, EPA makes clear that if there are no sources covered by a specific CTG source category located in an ozone nonattainment area or an area in the OTR, the state may submit a negative declaration for that CTG. 80 FR 12264, 12278.

II. Summary of SIP Revision and EPA Analysis

In its April 2, 2020 submittal, VADEQ certified to EPA that the Northern Virginia area has met all of the CAA RACT implementation requirements for the 2008 ozone NAAQS, including CAA sections 182(b)(2) and 184(b)(1)(B). However, this final rule only addresses section 2.2 of the April 2, 2020 submittal, which contains negative declarations for certain CTGs and ACTs in the Northern Virginia area, as described in the NPRM. EPA notes that Virginia’s April 2, 2020 SIP submission also addresses RACT for major sources of NO_x and VOC in the Northern Virginia area under CAA section 182(b)(2)(C), but that portion of the SIP submittal is not being addressed in this action, and will instead be addressed in a future action taken by EPA.

Table 3 of section 2.2 of the SIP submittal identifies source categories subject to CTGs and ACTs for which Virginia is submitting a negative declaration stating that there are no

sources located in the Northern Virginia area subject to these CTGs or ACTs, for purposes of the 2008 ozone NAAQS. As noted in the NPRM, EPA issued a CTG for the Oil and Gas Industry in October of 2016. Because this is a newer CTG, section 2.2 of the submittal includes a first-time negative declaration for the 2016 Oil and Gas CTG. Along with the other negative declarations, VADEQ asserts that there are no facilities in the Northern Virginia area that are currently involved in oil and gas production and processing activities covered by the 2016 Oil and Gas CTG. The rationale for EPA's proposed action is explained in the NPRM and will not be restated here.

III. EPA's Response to Comments Received

EPA received three comments on the July 16, 2020 NPRM. All comments received are in the docket for this action. One comment was generally supportive of the CAA's impact on human health and the environment but did not specifically address any aspect of EPA's proposed action and will therefore not be addressed here. A summary of the other two comments and EPA's responses are provided herein.

Comment 1: The Commenter asserts that EPA should not approve Virginia's negative declarations "...without review of all possible uses the state might use these approved declarations," because it may allow the state to "...skirt more necessary environmental protections." The Commenter also appears to claim that EPA's approval of Virginia's negative declarations hinders development of projects in the state. To support this claim, the Commenter cites an unidentified analysis which purports to show that a solar industry investment project in Virginia was potentially blocked by such a declaration. Citing climate change as an example, the Commenter further asserts that "(w)ith EPA taking an official stance against projects to protect the environment, we all stand to lose."

Response 1: The Commenter has misinterpreted the purpose of the negative declarations, as well as the scope and impact of EPA's approval. As stated in the NPRM, the negative declarations in Virginia's April 2, 2020 submittal are related to the provisions of CAA section

184(b) which require that states in the OTR, or with areas included within the OTR, must revise their SIPs to implement RACT with respect to all sources of VOC covered by a CTG document. Because portions of Virginia are within the OTR, Virginia must provide a SIP submission to address RACT for all sources of VOC covered by a CTG. See NPRM 85 FR 43188, July 16, 2020.

EPA has historically allowed states to submit a negative declaration for a particular CTG category if the state finds that no sources exist in the state, or area, which would be subject to that CTG. EPA has addressed the idea of negative declarations numerous times and for various NAAQS including in the General Preamble to the 1990 Amendments,³ the 2006 RACT Q&A Memo,⁴ and the 2008 Ozone Implementation Rule.⁵ In each of these documents, EPA asserted that if no sources exist in the nonattainment area for a particular CTG category, the state would be allowed to submit a negative declaration SIP revision. This principle also applies to states and areas in the OTR.

Nothing in the CAA or EPA's implementing rules or guidance suggests that states must have a SIP approved regulation for a category of CTG sources that does not exist in the state. Should a new source of the type covered by the existing CTG be constructed in a state after approval of a negative declaration, EPA expects the state to develop a regulation and submit it to EPA for approval into the SIP in accordance with the relevant timing provided for by the CAA. At this time, because the portion of Northern Virginia included in the OTR does not have any sources subject to any of the CTGs listed in the NPRM, no regulations are required to be developed and submitted to EPA for SIP approval for those CTGs.

Also, contrary to commenter's claim, the negative declarations will not have any impact on any proposed development projects. The negative declarations neither exempt sources

³ "State Implementation Plans; General Preamble for the Implementation of Title I of the Clean Air Act Amendments of 1990," 57 FR 13498 at 13512 (April 16, 1992).

⁴ "RACT Qs & As—Reasonably Available Control Technology (RACT): Questions and Answers" Memorandum from William T. Harnett, May 18, 2006.

⁵ "Implementation of the 2008 National Ambient Air Quality Standards for Ozone: State Implementation Plan Requirements," (80 FR 12263 at 12278 (March 6, 2015)).

subject to a CTG from complying with other provisions of the CAA and Virginia law which otherwise apply nor create any new requirements. In addition, EPA cannot identify any impact the negative declarations would have on any proposed solar project as claimed by the Commenter, and EPA is unable to evaluate the analysis that the Commenter references because no citation is included in the comment. The Commenter also references a letter from April 6, 2013 that they sent to EPA. However, because the commenter did not identify the matter to which it applied or the person to whom the letter was sent, EPA could not locate such a letter and was therefore unable to evaluate it.

Comment 2: A second Commenter also claims that EPA should not approve Virginia's negative declarations. First, the Commenter asserts that Virginia has no legal authority to make such declarations. Further, the Commenter asserts that negative declarations "...preclude any future development in that sector...unless a new state regulation is developed and enforced upon the new sources." Additionally, the Commenter asserts that the negative declarations will have a devastating effect on development, and that they are contrary to an unidentified Executive Order "...precluding the government from imposing new regulations or rules on the oil and gas industry." Finally, the Commenter asserts that "EPA must revoke this proposed rule and redo its analysis to show no state laws are being broken that restrict economic development and EPA must show that the rule is in line with the executive order promoting energy infrastructure and economic growth."

Response 2: First, EPA notes that the Commenter is incorrect in the assertion that the Commonwealth of Virginia lacks the legal authority to make and submit the negative declarations proposed for approval in the NPRM. The CAA establishes a partnership between state and Federal entities for the protection and improvement of the nation's air quality. Under CAA section 109, EPA is required to establish NAAQS for certain criteria air pollutants in order to protect public health and welfare. Subsequent to the promulgation or revision of a NAAQS, states are required by CAA section 110 to adopt and submit to EPA for approval a SIP which

provides for the implementation, maintenance, and enforcement of the NAAQS within that state. This requires that the state have adequate state law authority to adopt, implement, and enforce the SIP. Virginia state law provides such authorities to the Virginia Air Pollution Control Board, which was created by the legislature of Virginia (See Va. Code Sec. 10.1-1300 through 1332.4). The Air Pollution Control Board has the broad authority to, among other things, act reasonably to achieve and maintain levels of air quality that will protect human health, welfare, and safety (Va. Code Sec. 10.1-1306); “advise, consult, and cooperate with agencies of the United States . . . in furtherance of the purposes of this chapter” (Va. Code Sec. 10.1-1307.A); “. . . promulgate regulations, including emergency regulations, abating, controlling and prohibiting air pollution throughout or in any part of the Commonwealth in accordance with the provisions of the Administrative Process Act (section 2.2-4000 *et seq.*). . .” (Va. Code Sec. 10.1-1308); enforce the regulations it adopts (“[a]fter the Board has adopted the regulations provided for in Va. Code section 10.1-1308, it shall have the power to: (i) initiate and receive complaints as to air pollution; (ii) hold or cause to be held hearings and enter orders diminishing or abating the causes of air pollution and orders to enforce its regulations pursuant to Va. Code section 10.1-1309; and (iii) institute legal proceedings, including suits for injunctions for the enforcement of its orders, regulations, and the abatement and control of air pollution and for the enforcement of penalties” (Va. Code Sec. 10.1-1307.D)); and issue, revoke, amend, or deny permits for the issuance of air pollutants (See Va. Code Sec. 10.1-1322). These authorities provide the legal basis and authority for the Virginia Air Pollution Control Board to submit a negative declaration to EPA attesting that certain sources covered by CTGs do not exist in the Northern Virginia area.

Further, EPA cannot identify, and the Commenter did not identify, any conflict with any state law which the approval of these negative declarations might create. As discussed previously, the negative declarations being approved by this action do not create any new Virginia law, so no conflict with existing state law is being created.

The Commenter is also incorrect about the impact and purpose of Virginia’s negative

declarations. As discussed in response to Comment 1, the negative declarations which EPA proposed to approve in the July 16, 2020 NPRM do not preclude any future proposal to locate a new source in the Northern Virginia area that is subject to a CTG. The sole purpose of these negative declarations is to certify that at the time of the declaration, no sources covered by a particular CTG exist within the Northern Virginia area. EPA's approval of the negative declarations indicates that the Agency agrees with the State's factual determination that no sources exist in the Northern Virginia area that are covered by the CTGs and ACTs listed. This factual determination does not itself preclude any future development or limit economic development because it does not impose any restrictions on sources or the State.

Regarding the Commenter's assertion that the negative declarations are contrary to an unidentified Executive Order "...precluding the government from imposing new regulations or rules on the oil and gas industry," EPA notes that the comment does not identify the Executive Order containing this prohibition. The Commenter may be referring to Executive Order 13783 (Promoting Energy Independence and Economic Growth) from March 28, 2017. Nevertheless, via this action, neither EPA nor Virginia is adopting or imposing any regulations or rules on the oil and gas industry. As explained previously, Virginia is merely stating that at this time there are no sources in the Northern Virginia area which are subject to the 2016 Oil and Gas CTG.

For the reasons stated, EPA disagrees with the commenters and is therefore finalizing our proposed approval of the negative declarations in Virginia's April 2, 2020 submittal.

IV. Final Action

EPA is approving that portion of Virginia's April 2, 2020 SIP submission making a negative declaration for the 2016 Oil and Gas CTG, as well as re-certifying a number of negative declarations for certain specified CTGs and ACTs, in accordance with the SIP requirements for the 2008 ozone NAAQS, as a revision to the Virginia SIP.

V. General Information Pertaining to SIP Submittals from the Commonwealth of Virginia

In 1995, Virginia adopted legislation that provides, subject to certain conditions, for an

environmental assessment (audit) “privilege” for voluntary compliance evaluations performed by a regulated entity. The legislation further addresses the relative burden of proof for parties either asserting the privilege or seeking disclosure of documents for which the privilege is claimed. Virginia's legislation also provides, subject to certain conditions, for a penalty waiver for violations of environmental laws when a regulated entity discovers such violations pursuant to a voluntary compliance evaluation and voluntarily discloses such violations to the Commonwealth and takes prompt and appropriate measures to remedy the violations. Virginia’s Voluntary Environmental Assessment Privilege Law, Va. Code Sec. 10.1-1198, provides a privilege that protects from disclosure documents and information about the content of those documents that are the product of a voluntary environmental assessment. The Privilege Law does not extend to documents or information that: (1) are generated or developed before the commencement of a voluntary environmental assessment; (2) are prepared independently of the assessment process; (3) demonstrate a clear, imminent and substantial danger to the public health or environment; or (4) are required by law.

On January 12, 1998, the Commonwealth of Virginia Office of the Attorney General provided a legal opinion that states that the Privilege law, Va. Code Sec. 10.1-1198, precludes granting a privilege to documents and information “required by law,” including documents and information “required by Federal law to maintain program delegation, authorization or approval,” since Virginia must “enforce Federally authorized environmental programs in a manner that is no less stringent than their Federal counterparts. . . .” The opinion concludes that “[r]egarding Va. Code Sec. 10.1-1198, therefore, documents or other information needed for civil or criminal enforcement under one of these programs could not be privileged because such documents and information are essential to pursuing enforcement in a manner required by Federal law to maintain program delegation, authorization or approval.”

Virginia’s Immunity law, Va. Code Sec. 10.1-1199, provides that “[t]o the extent consistent with requirements imposed by Federal law,” any person making a voluntary

disclosure of information to a state agency regarding a violation of an environmental statute, regulation, permit, or administrative order is granted immunity from administrative or civil penalty. The Attorney General's January 12, 1998 opinion states that the quoted language renders this statute inapplicable to enforcement of any Federally authorized programs, since “no immunity could be afforded from administrative, civil, or criminal penalties because granting such immunity would not be consistent with Federal law, which is one of the criteria for immunity.”

Therefore, EPA has determined that Virginia’s Privilege and Immunity statutes will not preclude the Commonwealth from enforcing its program consistent with the Federal requirements. In any event, because EPA has also determined that a state audit privilege and immunity law can affect only state enforcement and cannot have any impact on Federal enforcement authorities, EPA may at any time invoke its authority under the CAA, including, for example, sections 113, 167, 205, 211 or 213, to enforce the requirements or prohibitions of the state plan, independently of any state enforcement effort. In addition, citizen enforcement under section 304 of the CAA is likewise unaffected by this, or any, state audit privilege or immunity law.

VI. Statutory and Executive Order Reviews

A. General Requirements

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA’s role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting Federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a “significant regulatory action” subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR

3821, January 21, 2011);

- Is not an Executive Order 13771 (82 FR 9339, February 2, 2017) regulatory action because this is not a “significant regulatory action” under Executive Order 12866.
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4);
- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
- Does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

The SIP is not approved to apply on any Indian reservation land as defined in 18 U.S.C. 1151 or in any other area where EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by

Executive Order 13175 (65 FR 67249, November 9, 2000).

B. Submission to Congress and the Comptroller General

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and to the Comptroller General of the United States. EPA will submit a report containing this action and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. A major rule cannot take effect until 60 days after it is published in the **Federal Register**. This action is not a “major rule” as defined by 5 U.S.C. 804(2).

C. Petitions for Judicial Review

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by **[insert date 60 days after date of publication in the Federal Register]**. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action.

This action certifies negative declarations for certain specified CTGs, including the 2016 Oil and Natural Gas CTG, as well as a number of other negative declarations for ACTs for the 2008 ozone NAAQS for the Northern Virginia area and may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Incorporation by reference, Nitrogen dioxide, Ozone, Volatile organic compounds.

This document of the Environmental Protection Agency was signed on November 17, 2020, by Cosmo Servidio, Regional Administrator, pursuant to the terms of the Consent Decree in *Center for Biological Diversity, et al., v. Wheeler*, Case No. 3:20-cv-00448-VC (N.D. CA). That document with the original signature and date is maintained by EPA. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned EPA Official re-signs the document for publication, as an official document of the Environmental Protection Agency. This administrative process in no way alters the legal effect of this document upon publication in the Federal Register.

Signed in Philadelphia, PA, on November 17, 2020 by:

Cosmo Servidio,
Regional Administrator,
Region III.

Dated: February 3, 2021

Diana Esher,
Acting Regional Administrator,
Region III.

For the reasons stated in the preamble, the EPA amends 40 CFR part 52 as follows:

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

Subpart VV—Virginia

2. In § 52.2420, the table in paragraph (e)(1) is amended by adding the entry for “CTG Negative Declarations Certification for the 2008 Ozone National Ambient Air Quality Standard” at the end of the table to read as follows:

§ 52.2420 Identification of plan.

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(e)* * *

(1)* * *

Name of non-regulatory SIP revision	Applicable geographic area	State submittal date	EPA approval date	Additional explanation
* * *	* *	* *	*	
CTG Negative Declarations Certification for the 2008 Ozone National Ambient Air Quality Standard	Northern Virginia VOC emissions control area	04/02/20	[insert date of publication in the Federal Register], [insert Federal Register citation]	Certifies negative declarations for CTG and ACT source categories in Northern Virginia, including the 2016 Oil and Gas CTG
